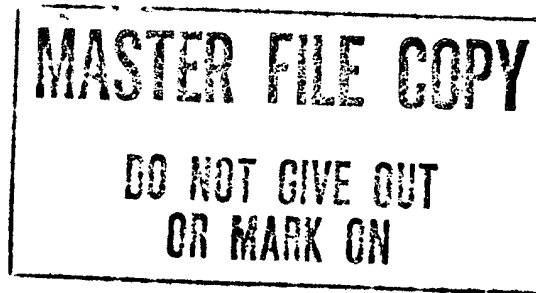




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Africa Review



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*Articles have been coordinated as appropriate with other offices within CIA. Comments and queries regarding this publication may be directed to the Chief, Production Staff, Office of African and Latin American Analysis,*

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## Articles

### Angola: Dos Santos Cleans House

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President Eduardo dos Santos earlier this month announced several changes in his government, most significantly the creation of three superministries intended to improve performance and coordination as well as to take some of the workload off the President's shoulders. As part of an effort to consolidate his authority within the ruling party and the government, the Angolan leader assigned loyalists to the newly created slots:

- Pedro de Castro Van-Dunem (Loy)<sup>1</sup> becomes Minister of State for Production and Economic Coordination. He retains his important role as Minister of Petroleum and Energy.
- Kundi Paihama heads the Ministry of State for Inspection and State Control. He also serves as Provincial Commissioner for Benguela Province.
- Maria Mambo Cafe becomes Minister of State for Social and Economic Affairs. The most senior woman in the party and the government, she also serves as the MPLA's Central Committee Secretary for Economic, Production and Social Services.

We have few details on how these Ministries will function. The Lisbon press reports that they will oversee large segments of the government bureaucracy. [ ]

Press coverage of dos Santos's criticism of the government's past performance at a party rally in Luanda in early February, coupled with the frank tone of several statements he made at the party

<sup>1</sup> Names in parentheses were given to individuals during the preindependence guerrilla struggle. Today, many officials are referred to by these and not by their real names. [ ]

congress last December, suggests that the President is concerned that UNITA insurgents are outdoing the Popular Movement for the Liberation of Angola (MPLA) in efforts to win over the population. We believe the new ministers are probably on the hook to improve the government's performance and enhance its image in rural areas as well as in Luanda. In addition, the recent removals of several corrupt and incompetent officials from senior party and government positions reflect dos Santos's determination to improve party effectiveness. [ ]

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#### The Players

The three superministers are described in press [ ] as confidants of dos Santos. In addition, each one was elevated within the party during the party congress last December. [ ]

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Van-Dunem (Loy) is [ ] the de facto number-two man in the government. In his midforties, he belongs to the Kimbundu ethnic group, from which the MPLA draws most of its support. He is also a member of one of the most influential families in Luanda. Van-Dunem spent time in school with dos Santos in the Soviet Union. Well regarded by Western diplomats in Luanda, who describe him as a moderate, Van-Dunem has the important additional asset of being one of a small number of Army officers to hold the rank of lieutenant colonel, the highest military rank. Van-Dunem was elected to the MPLA 13-man Politburo last December. [ ]

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Paihama, a former Security Minister in his forties, is an Ovambo from southern Angola who promotes close ties to SWAPO, which draws most of its support from

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the Ovambo. At the last party congress, Paihama was promoted from an alternate to a full member of the Politburo. [ ]

Mambo Cafe is the only woman on the Politburo, although she serves as an alternate member. Like Van-Dunem, she is a Kimbundu who has been active in the MPLA since the 1960s. Western diplomats report that she has not openly been associated with any particular faction of the government. They describe Mambo Cafe as hard working and much trusted by dos Santos. [ ]

#### The Losers

After announcing the new superministers, dos Santos made a number of changes at several levels of the government. In addition to shuffling many provincial commissioners, the President dismissed several ministers who had held influential portfolios. The most important of them were Lopo do Nascimento, Minister of Planning, and Evaristo Domingos (Kimba), Minister of Agriculture and Forestry and Minister of Regional Coordination. [ ]

The reasons for do Nascimento's dismissal are sketchy. Formerly Angola's top economic decision maker, he has been reassigned as provincial commissioner of Huila Province in southwestern Angola and as chairman of the 5th Military District, which encompasses Namibe and Cunene Provinces as well as Huila. Our best guess is that do Nascimento, a Kimbundu [ ]

[ ] has been sent to the hinterland because dos Santos saw him as a potential rival. The transfer of do Nascimento, who most observers describe as competent, could also be part of the government's efforts to improve the quality of services and performance at the provincial level. Do Nascimento was reelected to the MPLA's Central Committee at the party congress in December and has never been a member of the Politburo. [ ]

The departure of Kimba, who was dropped from the Politburo to the less important Central Committee last December, comes as no surprise. He has been widely reported as being one of the most corrupt ministers. Kimba has also been described as one of dos Santos's closest supporters, but we suspect his

poor performance in two key ministries had become a liability for the government. [ ]

#### Outlook

The personnel changes alone are unlikely to produce a quick solution to the government's poor performance in the rural areas. Moreover, the selection of Paihama—a marginal performer at best—to head one of the new superministries and the demotion of the competent do Nascimento suggest that loyalty, rather than past performance, was the key credential dos Santos sought in making recent appointments. [ ]

For the appointments to have any major impact on the government's performance in the rural areas, dos Santos will have to carry out reforms in both the government's economic and social policies. The reaffirmation at the party congress of the MPLA's intention to pursue a Marxist-Leninist economic model, coupled with the announcement that defense concerns would remain the number-one priority for the next five years, suggests that needed economic reforms are not in the offing. In addition, the MPLA's failure to include officials in the leadership from ethnic groups outside the dominant Kimbundu does not augur well for expanding the popular base. [ ]

Finally, the dismissal, transfer, or promotion of these officials probably is not the final word on their political careers. One well-known MPLA official who was dropped from the Politburo last December, the pro-Soviet Lucio Lara, recently resurfaced as First Secretary of the National People's Assembly, Angola's legislature. While Lara retains no significant authority as head of this largely rubberstamp body, he remains in the political pipeline and could yet ascend to a decisionmaking role. [ ]

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**Mozambique:  
Vital Transport Links  
for the Region**

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Mozambique's trouble-ridden transportation system offers a possible alternative to the region's heavy dependence on South African transport routes. Insurgent attacks, poor maintenance, and years of neglect, however, have reduced the system's capacity since Mozambican independence in 1975. Regional and international groups nevertheless are studying ways to improve the network, and some rehabilitation aid is flowing to Mozambique despite the continued vulnerability of the system to attack. Zimbabwe has been in the forefront of efforts to enhance regional cooperation and is devoting considerable economic and military resources to help Maputo. In our view, even in the unlikely event that insurgent attacks could be curtailed significantly, massive amounts of aid would be needed before the network could hope to increase substantially its carrying capacity.

have given priority to the improvement of alternative road, railway, and port facilities in Mozambique.

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**Neglected Infrastructure**

Use of Mozambican transportation routes and facilities has decreased markedly since independence in 1975, according to the US Embassy in Maputo. Insurgent activity and technical difficulties are the main causes of the decline.

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**Rail Lines.** Rocket fire, derailments, mines, and blown-up bridges are some of the tactics the guerrillas use to interrupt rail traffic. According to press reports, the line from Maputo to Nkomati was shut down for three weeks in December because guerrillas destroyed a key bridge. The main rail line from Harare to Maputo has been out of operation for more than a year because of insurgent actions. The US Embassy in Maputo reported last month that the line linking Swaziland and Maputo went out of operation when the track was sabotaged and a train was hit by rocket fire. According to the Embassy, a coal train from South Africa derailed after hitting a landmine near the border. The rail lines from South Africa and Swaziland are now reported to be operating.

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**Dependence on South Africa**

Nearly all black-ruled states in southern Africa depend on the South African transportation system to move most of their imports and exports. According to US Embassy reporting, Botswana is dependent on South Africa for all of its oil, most of its food needs, and almost all of the machinery and vehicles required for production inputs. The general manager of the National Railways of Zimbabwe says that more than 90 percent of Zimbabwe's exports and imports go to or through South Africa, according to the US Embassy in Harare. Zambia depended on South Africa for 64 percent of its imports and 30 percent of its exports in 1984, according to US Embassy reporting.

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The US Embassy in Harare reports that the line from Mutare, Zimbabwe, to the port of Beira—which has been guarded by Zimbabwean troops since 1982<sup>1</sup>—

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To reduce the heavy reliance on South Africa and enhance regional cooperation, the Southern African Development Coordination Conference (SADCC) was established in 1979. The group is comprised of Angola, Botswana, Lesotho, Malawi, Mozambique, Swaziland, Tanzania, Zambia, and Zimbabwe. Fearing the dramatic adverse effects that a transportation cutoff or slowdown by South Africa would have on their economies, the SADCC members

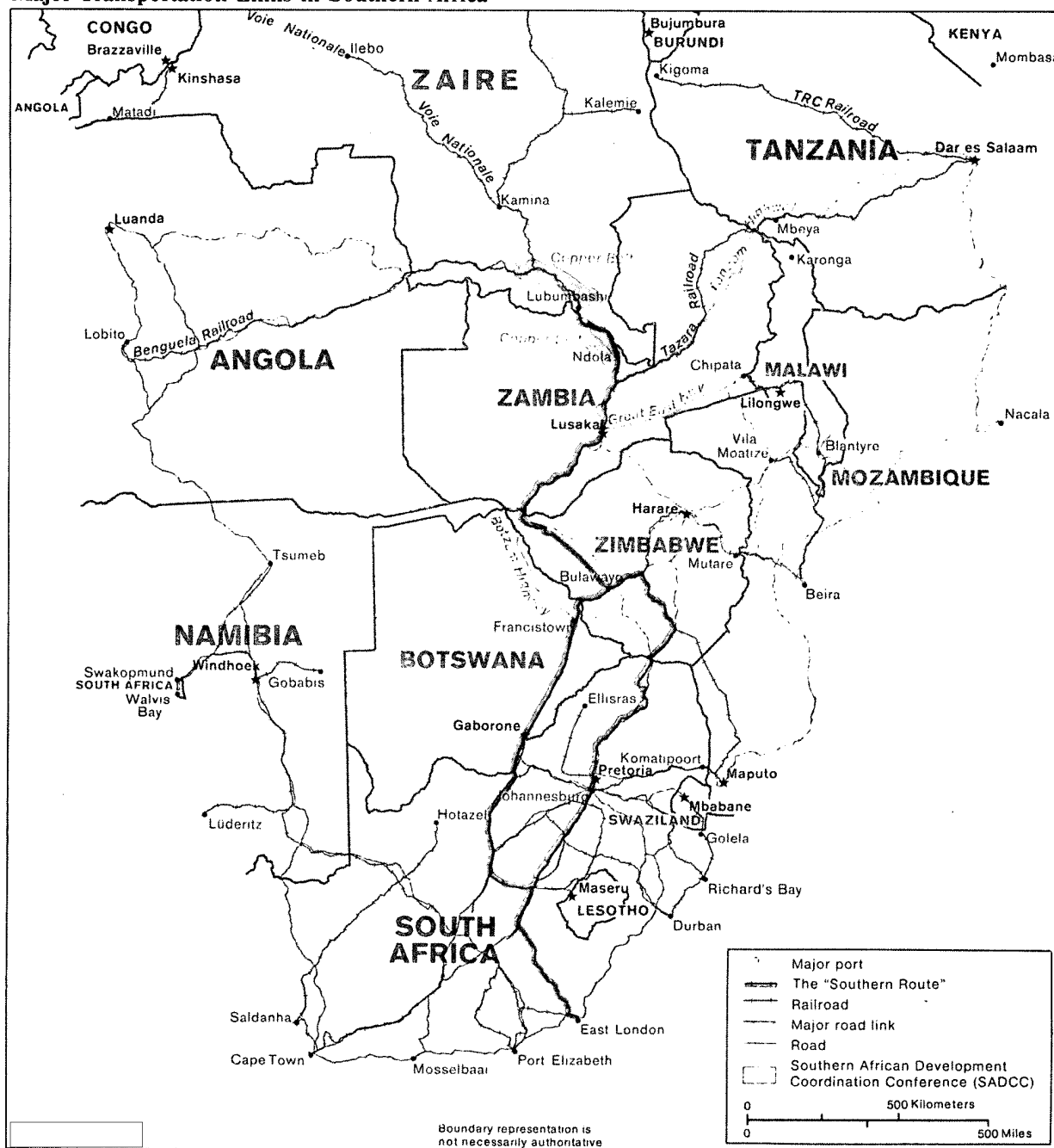
<sup>1</sup> During the summer of 1985, Zimbabwe nearly tripled the number of its troops in Mozambique—to about 9,000—and began undertaking joint counterinsurgency operations against antigovernment rebels. Despite a seasonal drawdown of 3,000 to 4,000 troops, Prime Minister Mugabe appears to remain personally committed to supporting the Maputo government and safeguarding Zimbabwe's vulnerable transportation routes and oil pipeline through central Mozambique.

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## Major Transportation Links in Southern Africa



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has been underutilized since the early 1970s as a result of the serious deterioration of the facilities and the stepped-up insurgency. [ ]

[ ] the Malawi-to-Beira railway is closed to all traffic because of insurgent activity.

[ ] the railway from Malawi to the port of Nacala—the only port other than Beira with rail service to Malawi—has been out of operation since January 1985 because of insurgent activity. [ ]

[ ] the Nacala line provides the only viable transportation route [ ] for the bulk of the Malawi economy. In an effort to ensure safe passage along this line, [ ]

[ ] At their first meeting, the insurgents were offered \$5 million to desist from sabotaging the rail line. The insurgents declined this offer and were offered \$15 million at the next meeting. The attache reports that the rebels are still considering this offer. [ ]

**Ports.** The port at Maputo—Mozambique's largest port—is afflicted with a host of problems that have made shipping unreliable. A high percentage of the port's loading and moving equipment is inoperable, foremen and supervisors lack experience, absenteeism among stevedores is high, and power outages are chronic, according to the US Embassy in Maputo. Guerrilla operations have also interrupted access to the port. Maputo handled some 3.3 million tons in 1981, compared to 13 million tons in 1978, according to the US Embassy. [ ]

Mozambique's second-largest port, Beira, has also seen a drastic reduction in goods handled. According to US defense attache reporting, port activity at Beira has dropped by about 50 percent since the mid-1970s. The US Embassy reports that Beira suffers from many of the same problems as the port at Maputo, although to a lesser degree. [ ]

[ ] To make matters worse, the insurgents blew up more than 30 electrical pylons last April, leaving the city with only intermittent power for six months, according to Embassy reports. The South African press reports that insurgents have virtually put Nacala, the third-largest port, out of operation by attacking the rail lines leading to it. [ ]

**Pipeline.** One of the more important nonrail transportation links in Mozambique is the oil pipeline running from Beira to Mutare. It runs roughly parallel to the rail line connecting the two cities, and has suffered from guerrilla and South African commando attacks in the past. According to press reports, a section of the pipeline was blown up by the rebels last August but was repaired by the Zimbabwean Army guarding the pipeline throughout Mozambique. [ ]

**Roads.** Transport by road in Mozambique is probably more dangerous than by rail. The US Embassy reported that an insurgent force cut the main road south of the city of Inhambane for four hours in January. Attacks on the main road from Maputo to Xai-Xai have become so frequent that traffic now moves in convoys. According to the Embassy, these convoys are made up of armored personnel carriers at either end, armored jeeps that circle in and around the convoy as it moves, and troops interspersed throughout. In areas where convoys have previously been attacked, the trees have been cut back and houses have been leveled to create a free-fire zone, according to the Embassy. [ ]

#### Rehabilitation Plans

Efforts by the SADCC to reduce reliance on South Africa have focused on rehabilitating the railways in Mozambique, especially the so-called Beira corridor, [ ]

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the rail line running from Mutare to Beira. According to the US Embassy, \$600 million will be invested over the next 10 years to improve the rail and port facilities along the Beira corridor and establish a modern shipping system. A group of four Scandinavian countries—Denmark, Finland, Norway, and Sweden—and the United States are already involved in projects on the rail line and the port, according to the US Embassy. [ ]

The European Economic Community signed a declaration of intent with the SADCC for \$98 million in January, according to press reports, to revamp the transport and communications sectors serving the port of Beira. Zimbabwe reached a preliminary agreement last November to rebuild 136 kilometers of the Beira line, according to the US Embassy. Moreover, a group of 22 Zimbabwean firms have formed a group to look into private-sector assistance in upgrading the facilities and services in the Beira corridor. [ ]

Although Beira is the closest port to Zimbabwe, the general manager of Zimbabwe's railroad said last December that he would prefer that efforts be concentrated on the Maputo line, according to US Embassy reporting. The escarpment from Harare to Mutare and Beira is steep, whereas the grade is more gradual going south to Maputo. According to the US Embassy in Maputo, rehabilitation of the Beira line will thus be more expensive than that of the Maputo line. Zimbabwe, however, will not pursue the rehabilitation of the Maputo line until security from insurgent attack can be assured, according to the Embassy. [ ]

Malawi, on the other hand, is primarily interested in opening up and refurbishing the rail line going to Nacala. [ ] rehabilitation of the Nacala-Nampula section of the line is under way and may be completed in less than two years if there are no further interruptions. According to US Embassy reporting, Lonrho has given Mozambique \$5.5 million to use in renovating the Nacala line. Here again, insurgent activity must be controlled for rehabilitation to have any effect. [ ]

#### **Outlook**

We believe that if South Africa cuts off or reduces rail service to the region in the near future—a contingency the SADCC is clearly worried about—Mozambique would be unable to handle the amount of goods diverted. The rail lines are not secure from insurgent attack, nor are they in a good state of repair. The ports are in a similar state of disrepair. [ ]

Without reliable rail service, we believe governments and businesses will continue to use the more reliable South African transportation system to meet their shipping needs. Intraregional trade is low, and many of these countries rely on their exports to bring in much-needed hard currency. Moreover, the goods they are exporting in many cases are not unique and can be bought from other sources. We believe, therefore, that states in southern Africa will be reluctant to risk losing their export markets because of unreliable transportation. [ ]

Even in the unlikely event that Mozambique could ensure the safety of the rail systems, Maputo would still face the costly and time-consuming task of rebuilding parts of the lines, refurbishing other sections, and creating an experienced pool of managers. In our judgment, a massive amount of foreign aid, expertise, and training would be required. Foreign donors are being found to provide at least part of the initial aid that is needed. Whether the aid will continue to flow over the long term is uncertain, however. [ ]

Rehabilitating the ports may be a more obtainable goal in our view, although still an expensive undertaking. Mozambique's ports, while not invulnerable, are more defensible from rebel attack than the rail lines. Because of the poor state of the existing equipment, however, Mozambique probably will have to invest large amounts of money in new stocks to bring the ports up to top capacity. This investment, in our judgment, will also have to include building inventories of spare parts and developing

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technical and managerial training before these ports will be able to handle a significant amount of shipping.

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We believe that, even if Mozambique could operate its rail lines and ports at peak capacity, the amount of goods handled still would fall far short of that handled by the South Africans. According to the US Consulate in Johannesburg, about 10 percent of Zimbabwe's exports go through Mozambican ports. The Consulate speculates that, even if lengthy and costly repairs were made to the system, Mozambique may only raise the portion of Zimbabwe's exports handled to 40 percent. Major expansion, not just repair, of the system would be required to handle a larger percentage of Zimbabwe's and the region's exports and imports.

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More important, in our view, is the uncertainty over Harare's long-term military commitment to assisting Mozambique. Senior military and political leaders in Zimbabwe are growing increasingly concerned over the costs in both men and material of protecting rail and transportation lines against guerrilla attacks, although they have stopped short of urging Prime Minister Mugabe to reassess Zimbabwean assistance to the Maputo government. Without Zimbabwean troops to provide security, rehabilitation of the Beira-to-Mutare corridor would probably be indefinitely delayed, dealing a major blow to the region's hope for reducing its dependence on the South African transportation system.

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**Tanzania:  
Moderate Shifts  
in Foreign Policy**

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Aided by the lack of external threats or internal opposition groups, President Mwinyi has been able to moderate Tanzania's foreign policy, especially in regional affairs, as he seeks solutions to the country's deepening economic problems. He has not, however, renounced the radical nonaligned foreign policy goals of his famous predecessor, Julius Nyerere. Nyerere, whose charisma and prestige gave Tanzania exaggerated importance on the world stage, remains respected as the country's senior statesman and international spokesman.

**Regional Pragmatism**

The Mwinyi government has subtly moved away from Nyerere's strident rhetoric and militant positions, although support of national liberation groups and commitment to the abolition of apartheid remain the cornerstone of Tanzanian regional politics. In response to a question on South Africa in a recent interview, Mwinyi claimed: "All it [Africa] can do is to continue its diplomatic and moral offensive through all international forums . . . the diplomatic weapon is the only one we have." Tanzania continues to provide limited military training assistance to Mozambique but has assiduously avoided new economically draining entanglements, such as making good on Nyerere's promises of aid to Angola. In our judgment, Mwinyi has willingly allowed Zambian President Kaunda to assume Tanzania's previous leading position in the Frontline States organization.

educational and agricultural development. We believe, however, that Tanzania will closely monitor the activities of such groups and that Mwinyi favors a political solution to the South African conundrum.

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Mwinyi has also moved to create opportunities for better regional relations, sending Vice President Wakil to Zaire and backing Kenyan President Moi's efforts to foster peace in Uganda. Although substantial numbers of Zairian rebels are based in western Tanzania, Wakil's visit for the 20th anniversary of Zairian President Mobutu's takeover created optimism that the two countries may move to normalize relations and ratify a 1981 trade agreement, New Ugandan President Museveni—whose guerrilla group received limited Tanzanian military aid—still enjoys Mwinyi's support although Dar es Salaam advocates the quick establishment of a broadly based government and is nervous over the presence in northern Uganda of troops affiliated with former dictator Idi Amin. A senior Tanzanian officer remains in Kampala as military attache to the new Ugandan Government.

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**Global Policy: Begging as an Art Form**

Tanzania's broader foreign policy goals are increasingly shaped by the search for new aid donors, higher levels of foreign assistance, and easy credit terms for oil. These objectives contrast sharply with Nyerere's shrill calls in the past for a new world economic order and an African debtor cartel. Depletion of foreign exchange reserves and desperate

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the US Embassy reports Dar es Salaam is likely to accept ANC and other political refugees ousted from Lesotho following the coup in Maseru in January. Aside from Tanzania's moral convictions, these groups are welcome because they are self-sufficient—they make few economic demands—and, in the case of the ANC, have contributed to

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bartering of cash crops—primarily coffee and cotton—for oil influences almost all aspects of Tanzania's external relations, especially with Middle Eastern states. Tanzania's defaults on payments for oil deliveries have severely strained relations with all oil suppliers. For example, the Mwinyi government warmly welcomed Iranian President Khamenei during his visit in January, but, [REDACTED]

[REDACTED] we expect relations to cool again.

Mwinyi is trying to attract greater aid from West European nations—especially the Scandinavian countries—and multilateral organizations, which are Tanzania's major source of budgetary income and development assistance. Aid levels may decline, however, because donors are increasingly disenchanted with Tanzania's bureaucratic inefficiency and refusal to reach an accommodation with the IMF. [REDACTED]

Dar es Salaam's pressing need to placate the military—which is disgruntled over worsening economic conditions, poor training, and deteriorating equipment—has led it to seek alternatives to the limited military assistance it receives from the USSR, [REDACTED]

Mwinyi traveled to China shortly before his nomination and was favorably impressed with new Chinese economic initiatives. China has not yet provided military aid, [REDACTED]

Recent supplies of substandard food aid and only minimal development aid from the Soviets have aggravated Tanzania's dissatisfaction with Moscow over the quality of Soviet military training. In addition, the USSR was slow to congratulate Mwinyi upon his assumption of the presidency, [REDACTED]

[REDACTED] Nyerere's presidential farewell trip to Moscow was canceled abruptly on the pretext of incompatible schedules, suggesting that relations may be cool. [REDACTED]

Tanzanian relations with other nations that have demonstrated regional interests—including Soviet Bloc countries, Libya, and Cuba—are low-key. Mwinyi appears to recognize that closer relations with some countries, Libya in particular, are distasteful to most Western donors. Dar es Salaam, nevertheless, maintains cultural exchange programs with many Soviet Bloc countries, [REDACTED]

[REDACTED] Tanzania also supports Libyan grievances against the United States in the Organization of Africa Unity (OAU). Although the People's Bureau in Dar es Salaam is small and relatively inactive, we believe that the Mwinyi government is continuing Nyerere's policy of allowing Tripoli to route arms thorough Tanzania for Zairian rebels. [REDACTED]

Mwinyi has sought to take some of the edge off US-Tanzanian relations, although there is no evident reorientation of policy toward Washington. The US Embassy reports that Tanzanian media coverage and editorials on US diplomacy in the region have been surprisingly moderate in recent months, despite Tanzania's participation in the OAU liberation committee's recent denunciation of US policy toward Angola and Libya. In addition, Mwinyi's letter of condolence following the Challenger shuttle disaster was an unprecedented gesture. Although Brooke Amendment sanctions remain in place, Mwinyi may still view the United States as a lucrative source of aid, especially if an accommodation with the IMF is reached. [REDACTED]

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**Outlook**

We believe the trend toward moderation—most apparent in Tanzania's regional approach—will prevail as attention to economic troubles takes precedence over aggressive involvement in foreign affairs. The moderation in regional affairs is not surprising, in our view, because Dar es Salaam is no longer able to back up strident rhetoric with either a powerful military or Nyerere's sway in regional organizations. The extent to which Nyerere reasserts himself as the nation's international spokesman, however, will determine Tanzania's future public behavior. Mwinyi's cautious and pragmatic ways have yet to penetrate Tanzania's bureaucracy, where militant attitudes fostered by Nyerere are still pervasive, in our view. We believe this accounts not only for continued belligerence toward aid donors and the IMF, but also for Tanzania's fluctuating behavior toward the United States.

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Tanzania is unlikely to sever its military relationship with the Soviet Union in the near term. We believe Dar es Salaam will keep the Soviet Bloc countries at arm's length as it searches for more generous military and economic aid donors. Likewise, relations with nations loathe to extend further oil credits are likely to stagnate as Tanzania tries to court private commodities trading companies. We believe, however, that many donors and trade partners are waiting for Tanzania to come to an agreement with the IMF before making further commitments.

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## Lesotho: Coup for King and Country

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The military coup that ended the 20-year rule of Prime Minister Leabua Jonathan should signal an era of good relations between Lesotho and South Africa. Pretoria welcomes the policies of the new government, including the expulsion of African National Congress (ANC) military cadre, and probably hopes that Maseru will eventually agree to a formal security agreement such as the nonaggression pacts South Africa has with Mozambique and Swaziland. The new regime is clearly interested in improving its relations with South Africa, but it is likely to balance this goal with its need to avoid being seen as a puppet of South Africa.

There is no evidence of a direct South African role in the overthrow, but Pretoria's blockade of the border increased the military's longstanding dissatisfaction with Jonathan and brought tensions to a head. Pretoria imposed the blockade to protest the increased use of Lesotho by ANC guerrillas. On 1 January, South African border guards began searching all vehicles crossing the border for smuggled arms and ANC guerrillas. The border controls also led to critical shortages of food, medicine, and fuel.

The military had long opposed Jonathan's permissive policy toward the ANC, which invited South African reprisals. In 1982, South African commandos carried out an attack on ANC facilities in Maseru, killing 42 people. Pretoria denied responsibility for a commando raid late last year that killed nine people, including six ANC members. The military opposed Jonathan's ties to Communist countries that had expanded since 1983 when the Soviet Union, North Korea, and China opened missions in Lesotho. The military leadership also resented Jonathan for arming the North Korean-trained youth wing of Basotho National Party.

The sequence of events leading to the coup are unclear.

On 15 January, units

### *The New Regime*

General Lekhanya and a six-member military council are responsible for the general administration of the country. The King maintains his role as head of state, largely a ceremonial role under Jonathan, but his powers have been broadened to include legislative and executive authority. A 20-member Council of Ministers, appointed by the King, will act in an advisory capacity.

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Despite King Moshoeshoe's historically inactive political role, US Embassy sources have said that he will have an increasing role in the new regime. In fact, the new Council of Ministers appears to be largely a Moshoeshoe constituency.

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loyal to General Lekhanya, commander of the Lesotho Paramilitary Force, surrounded government headquarters and presented Jonathan with a list of grievances, including the need to reverse the disintegrating security situation with South Africa.

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Following the encounter, the troops returned to their barracks and Jonathan arranged to send a delegation to Pretoria on 17 January for security talks.

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While General Lekhanya and the Lesotho delegation were meeting in Pretoria, however, fighting erupted at the military barracks between moderate supporters of Lekhanya and a radical faction, a move that—in our view—may have been maneuvered by Jonathan to reestablish control over the military. This attempt was crushed by troops loyal to Lekhanya. On 20 January, Lekhanya and his forces seized power and announced the formation of a new government.

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**Secret****New Policies**

In our view, the coup is a serious setback for the ANC. Shortly after the coup the new government expelled 57 ANC members to Zambia, according to US Embassy reporting. Press reports also say that an additional 40 South African refugees—which probably include some ANC members—were sent to Zambia in mid-February. Lekhanya commented at a recent press conference that “national security” would be the criterion used to determine whether additional ANC members would be evicted. [ ]

In addition to clamping down on the ANC presence in Lesotho, the new regime has established a joint security committee with the South Africans. The new committee, initiated during Jonathan’s final days, is charged with monitoring and discussing bilateral security issues. While no formal agreement has been signed, South Africa is encouraged by the cooperative attitude of Lesotho’s new leadership, according to US Embassy reporting. [ ]

Despite the new government’s hardline policies toward the ANC, Maseru probably will not totally sever ties to the group. [ ]

**Relations With the East**

General Lekhanya announced that he would maintain all of Lesotho’s existing diplomatic relations, including those with the Soviet Union, North Korea, and China. Since the coup, however, at least 21 North Korean technical advisers have been expelled from the country, according to press reports. Some of those evicted were probably military advisers to the youth wing of the Basotho National Party. Meanwhile, on 20 February, Lesotho reestablished diplomatic relations with South Korea. [ ]

**Importance of Ties to South Africa**

Lesotho is economically dependent on South Africa. Remittances from migrant workers account for over 40 percent of Lesotho’s GDP. Over 95 percent of its imports are from South Africa and virtually all its

exports are either destined for South African markets or transshipped through South Africa. Customs union duties—Lesotho is a member of the South African Customs Union along with South Africa, Botswana, and Swaziland—account for some 70 percent of government revenues. South Africa also is the source of virtually all electricity consumed by Lesotho. [ ]

The new government in Maseru will probably move to exploit Lesotho’s untapped hydroelectric potential and water resources. Maseru is likely to seek a renewal of the proposed \$1.3 billion Lesotho Highlands Water Project that would provide needed energy and water to South Africa and would eventually yield the government substantial revenue. [ ]

Lesotho’s agricultural potential may improve with renewed cooperation with Pretoria, in our view.

**Outlook**

Maseru is likely to approach relations with South Africa cautiously to avoid the appearance of a puppet. The regime will probably continue to transfer ANC members to other countries—Zambia or Tanzania—and also is likely to keep a close watch on South African refugees entering Lesotho. Maseru, however, probably will stop short of a formal security agreement or nonaggression pact. Although the new regime is likely to favor a tilt toward the West, especially in the area of economic assistance, Eastern Bloc missions are in Lesotho to stay. [ ]

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## Africa Briefs

<b>Zimbabwe</b>	<b>An End to the State of Emergency—Almost</b> <span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px; vertical-align: middle;"></span>	25X1
	<p>The country's 22-year-old formal state of emergency, which allows the government to override several constitutional guarantees, may be nearing an end. The US Embassy says that, although the measure is unlikely to be renewed again, the Zimbabwean Parliament recently passed a bill giving the state president unprecedented emergency powers to crack down on political opponents. The act will consolidate government authority now distributed among various criminal and emergency powers regulations, according to press reports. <span style="border: 1px solid black; display: inline-block; width: 150px; height: 15px; vertical-align: middle;"></span></p> <div style="border: 1px solid black; width: 560px; height: 25px; margin-top: 5px;"></div>	25X1 25X1
<b>Djibouti</b>	<b>Seeking Economic Solutions</b> <span style="border: 1px solid black; display: inline-block; width: 45px; height: 15px; vertical-align: middle;"></span>	25X1
	<p>President Gouled is playing an increasingly active role in foreign policy in an effort to gain much-needed aid for Djibouti's foundering economy, according to the US Embassy. Buoyed by his success in arranging and hosting the East African summit on drought in mid-January, Gouled has recently made trips to Egypt and North Yemen and attended an international desertification conference and the first Francophone summit in France. Moreover, he plans to follow up the drought summit with a conference for potential aid donors and East African recipients this autumn, according to the Embassy. <span style="border: 1px solid black; display: inline-block; width: 45px; height: 15px; vertical-align: middle;"></span></p>	25X1
	<p>Djibouti's small service-oriented economy has been hard hit by aid cutbacks by its primary benefactors, France and Saudi Arabia. The Embassy says that Djibouti's economic downturn is continuing, and budgetary austerity, high unemployment, and economic stagnation are increasing the potential for internal unrest. In our view, Gouled's flurry of diplomatic activity is aimed at attracting Western and conservative Arab help for his sagging economic and political fortunes by emphasizing Djibouti's importance as a moderate, pro-Western state situated at a strategic choke point. If Western and moderate Arab aid is not forthcoming, however, we believe growing economic hardship and fear over the instability it could engender may force Gouled to consider Libyan offers to fill the gap. <span style="border: 1px solid black; display: inline-block; width: 45px; height: 15px; vertical-align: middle;"></span></p>	25X1
<b>Swaziland</b>	<b>Quitting the Monetary Union</b> <span style="border: 1px solid black; display: inline-block; width: 40px; height: 15px; vertical-align: middle;"></span>	25X1
	<p>Swaziland has negotiated a revision to the 1974 trilateral agreement with South Africa and Lesotho that effectively will remove Mbabane from a monetary union with those countries. Although Swaziland will retain special access to South African capital and foreign exchange markets, it will no longer be required to back</p>	

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its currency 1 to 1 with the South African rand nor to accept the rand as legal tender. Swazi officials have stated that the move that will allow some freedom to set interest rate policies was prompted by the sharp decline of the rand last year. Lesotho, for its part, probably will stay in its monetary union with South Africa.



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